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OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE

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WASHINGTON, D.C. 20301

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INTERNATIONAL SECURITY AFFAIRS

In Reply Refer to:
I-23071/81

MEMORANDUM OF CONVERSATION

SUBJECT: Meeting with Argentine Foreign Minister Camilion. (U)

Argentine Participants

(U) Foreign Minister Oscar Hector Camilion
Charge' Roberto Dalton
Ambassador-designate Estaban Takacs

US Participants

(U) The Deputy Secretary of Defense, Frank C. Carlucci
The Assistant Secretary of Defense for International Security Affairs, Francis J. West, Jr.
The Deputy Assistant Secretary of Defense for Inter-American Affairs, Nestor D. Sanchez
The Military Assistant to the Deputy Secretary of Defense, RADM Jonathan Howe
Country Director, Inter-American Region, LtCol Christopher H. Brown, USAF
Director, Southern Cone Affairs, Department of State, Mr. Robert E. Service

(U) Time: 1200-1250, 1 September 1981

(U) Place: Room 3E928, The Pentagon

(C) After mutual opening pleasantries, Foreign Minister Camilion stated that Argentina desired US investment in Argentina and such investment could consolidate, cement relations between the two countries. The Deputy Secretary responded positively stating that we in Defense are interested in establishing better relations with Argentina for long term strategic reasons. He was hopeful that the US could remove the burden of the Humphrey-Kennedy restrictions and said that anything which leads to better relations is good.

(C) The Foreign Minister stated he was very satisfied with the level of relations and he considered the visits (e.g., General Meyer and General Galtieri) to have been highly successful. The Argentine military has gained experience in government and in the struggle against terrorism and is more sophisticated today. He also hopes Humphrey-Kennedy will be repealed, but does not consider repeal to be the decisive factor in our relations. The Argentines would like to update their equipment and use US items. However, from a military and diplomatic point of view, there are many areas to expand relations.

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(C) The Deputy Secretary of Defense stated we are somewhat optimistic on Humphrey-Kennedy and positive Argentine efforts in the field of human rights are helpful. Mr. Carlucci passed to Foreign Minister Camilion Senator Laxalt's interest in a specific case.

(C-Government of Argentine) The Deputy Secretary of Defense turned to the Central American area stating that the situation is getting worse, that the attacks on the economic infrastructure are effective, and that the Mexican-French statement was not helpful. Interdiction of the external arms support from Cuba and Nicaragua is particularly important. The US is currently providing assistance teams and a modest level of assistance. We welcome Argentina's ideas. The Foreign Minister responded that:

- Diplomatic steps are needed.

-- Working with Venezuela and Colombia on a Joint Statement to counter French-Mexican one (subsequently released 2 September and endorsed by nine Latin American countries).

-- Need tactics to combat adverse diplomatic actions of other countries.

- Argentina views bilateral assistance as a possibility.

-- Some form of financial help possible.

--- Central Bank to Central Bank - $80M.
--- Line of credit for capital goods - $25M.
--- 5-6,000 tons of food next year.

-- Some form of military assistance is marginal. [illegible]

--- Deny interferring in internal affairs.
--- Covert more possible now.

- Multilateral diplomacy must be explored.

-- French-Mexican idea is impossible, destabilizing and would create a dangerous situation.

-- After multilateral efforts, some overt assistance may be possible.

- Military problems exist in El Salvador which require military action and assistance.

-- Venezuelan example on elections may be applicable.

-- Argentina needs to support this process (military and political).

-- Will assist to build healthy institutions.

-- If elections are held, Argentines believe government would obtain a reasonable victory.

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(C) The Deputy Secretary responded that the US shares Foreign Minister Camilion's assessment. The Deputy Assistant Secretary of Defense stated the process will be a struggle unless a political party can be put together. Positive elections would be a victory for the system.

(C) The Foreign Minister asked how the US viewed the military situation:

- Mr. Carlucci stated he:

-- Does not see the guerrillas having the capability to overthrow the current government militarily.

-- Sees a long drawn out process.

-- Sees the momentum slipping to the guerrillas.

- Mr. Sanchez stated he:

-- Views situation as a stalemate.

-- Views as serious now because of guerrilla concentration on economic targets.

-- Sees the Venezuelan political example as an important possible solution.

- The Assistant Secretary of Defense, Mr. West, stated he sees Congress looking toward a Zimbabwe solution.

- The Foreign Minister stated that the Argentine military also believes the El Salvadoran capability is limited and is not enthusiastic about their qualifications and capabilities. He believes the military stalemate will continue until elections.

(C) A general discussion on diplomatic efforts to obtain support for the El Salvadoran and the Central American governments followed:

- The Deputy Secretary stated a problem is whether or not the press will create an atmosphere or momentum for the insurgents. The Foreign Minister stated the wire services view the situation as chaotic.

- The Foreign Minister stated the Argentines will work with Peru and Ecuador. Asked if Brazil would help, he replied:

-- Brazil's policy is hands off, let history take its course, problem is social injustice.

-- Foreign Minister Camilion views this as a naive approach and stated many are willing to help history along.

-- He will work for a joint statement that Central American stability is needed for their own internal development and move toward democracy.

(C) The Foreign Minister asked what will happen with the stream of arms flowing to the insurgents.

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- Mr. Carlucci stated:

-- US has worked hard to improve intelligence capability in El Salvador and Honduras.

-- Some improvement noted, long way from solving problem.

-- Problem cannot be solved until we find a way of dealing with the Nicaraguans.

--- During his recent trip, Mr. Enders candidly discussed arms traffic and military buildup with Nicaraguans and passed rules of the game.
--- We do not have a lot of hope that Nicaragua will respond, but initiative could free US for future action.

-- Mr. Sanchez briefed the results of his trip to the other capitals.

--- Most viewed Nicaragua as becoming more totalitarian and were skeptical US was not viewing as such.
--- Duarte was not highly concerned over the military situation; the electircal attacks - yes.
--- Guatemala is resigned to going it alone.

- The Deputy Secretary said that if we get tough with Nicaragua, we will have to, then what do we do?

-- Few military options available.

-- Back to diplomatic efforts.

-- US, Argentina, and others need to move in unison.

-- Mexico will be more difficult to turn around.

- The Foreign Minister questioned what brought Mexico to their current direction.

-- Mr. Carlucci stated he viewed it as part of their third world, third force posture.

-- Mr. Sanchez stated we need more of a Latin American concern expressed, people are looking for support.

(S) The Deputy Secretary questioned what would be Latin American reaction to high level military aid in the region.

- The Foreign Minister thought overall the reaction would be favorable.

-- Necessary to do.

-- Some critics (more in this country).

- Mr. West questioned how the Foreign Minister viewed direct troop support.

-- The Foreign Minister stated that would introduce new elements.

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-- Effect could be worse than the remedy.

-- Difficult to imagine what country could now support.

- Mr. West then asked about token overt support such as communications support at a low level.

-- Foreign Minister Camilion stated that was another way of presenting issue.

-- Diplomatic legwork is first needed.

-- First develop as a joint Latin American idea diplomatically.

--- Necessary to plan diplomatically before open forums.
--- Then, after consensus, military support may be possible.

-- The Foreign Minister felt covert assistance may be possible.

(C) The meeting closed with The Deputy Secretary and The Foreign Minister agreeing that their views correspond closely. They agreed that elections in El Salvador are the key and diplomatic initiatives are needed. It is clear that a military solution is probably not possible and not feasible politically. The Deputy Secretary stated there are military areas to consider which require assistance. The Foreign Minister stated we need to spread the problem around. Venezuela understands, Peru and Ecuador are unknown, Chile is taken for granted, and Brazil is hands off. The meeting ended on a positive note recognizing the need to continue close discussions and coordination.

Approved by: Nestor Sanchez

Prepared by:
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